GOVERNMENT OF INDIA
URBAN DEVELOPMENT AND POVERTY ALLEVATION
LOK SABHA

UNSTARRED QUESTION NO:1096
ANSWERED ON:09.12.2003
CITY CHALLENGE FUND
NANDIPAKU VENKATASWAMY

Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVATION be pleased to state:

(a) whether the Union Government has set up a City Challenge Fund for catalyzing city level economic reforms programme;

(b) if so, the details thereof;

(c) the total corpus of the proposed fund; and

(d) the details of various programmes proposed to be taken up under the fund?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION (SHRI BANDARU DATTATRAYA)

(a): The Ministry of Urban Development & PovertyAlleviation, Departmentof Urban Development has formulated a newCentrally sponsored scheme of City Challenge Fund.The fund can be set up only after approval of the Union Government is accorded as per prescribed procedure.

(b): City Challenge Fund envisages to address the following areas at the city level:-

(i) Catalyze city level economic reform programmes.

(ii) Institutional, fiscal and financial reforms of cities.

(iii) Creating credit-worthy cities.

(iv) To meet requirement of funds for the transition costs of city restructuring.

Access to the City Challenge Fund would be on a competitive basis. It would be open to Municipalities/Urban Local Bodies that can present a plan of action and commitment to undertake urban sector reforms that meet the criteria of the fund.

(c): Planning Commission has made a provision of Rs.500 crore for this scheme during the 10th Plan period 2002-07.

(d): The fund does not envisage to cater to any particular programme. It would address the objectives mentioned at (b) above at city level.